

Juanita R. Brooks (CA SBN 75934)
brooks@fr.com
Roger A. Denning (CA SBN 228998)
denning@fr.com
Frank J. Albert (CA SBN 247741)
albert@fr.com
Jared A. Smith (CA SBN 306576)
jasmith@fr.com
Tyler R. Train (CA SBN 318998)
train@fr.com
FISH & RICHARDSON P.C.
12860 El Camino Real, Ste. 400
San Diego, CA 92130
Telephone: (858) 678-5070 / Fax: (858) 678-5099

Attorneys for Plaintiff,
FINJAN LLC

DARALYN J. DURIE (CA SBN 169825)
DDurie@mofo.com
MATTHEW I. KREEGER (CA SBN 153793)
MKreeger@mofo.com
TIMOTHY CHEN SAULSBURY (CA SBN 281434)
TSaulsbury@mofo.com
MORRISON & FOERSTER LLP
425 Market Street
San Francisco, California 94105-2482
Telephone: (415) 268-7000 / Fax: (415) 268-7522

Attorneys for Defendant,
PALO ALTO NETWORKS, INC.

Additional counsel on signature page

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

FINJAN LLC,

Plaintiff,

v.

PALO ALTO NETWORKS, INC.,

Defendant.

Case No. 3:14-CV-04908-RS

**JOINT CASE MANAGEMENT
STATEMENT AND [PROPOSED]
ORDER**

Courtroom: 3, 17th Floor
Judge: Honorable Richard Seeborg

Pursuant to Federal Rule of Civil Procedure 26(f), Civil Local Rule 16-9, Patent Local Rule 2-1(b), the Standing Order for All Judges of the Northern District of California – Contents of Joint Case Management Statement, the Court’s Standing Order Regarding Initial Case Management, and the Court’s March 11, 2024 Order (Dkt. No. 275) and subsequent March 14, 2024 Order (Dkt. No. 277), the parties to the above-titled action, Plaintiff Finjan LLC (“Finjan”) and Defendant Palo Alto Networks, Inc. (“PAN”), jointly submit the following Joint Case Management Statement and Proposed Order.

1. Jurisdiction and Service

This is an action for patent infringement arising under 35 U.S.C. § 101 et seq. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1391(b) and (c) and/or 1400(b). No issues exist regarding personal jurisdiction or service.

2. Facts

Finjan’s Infringement Claims: Finjan filed this case over nine years ago—on November 4, 2014—asserting ten (10) patents. After Judge Hamilton lifted the stay on January 25, 2021 (Dkt. No. 84), Finjan filed an Amended Complaint on March 31, 2021 (Dkt. No. 112) and asserted the following seven (7) patents. Finjan contends it holds all rights, title, and interest in these patents.

- U.S. Patent No. 6,804,780 (“the ’780 Patent”);
- U.S. Patent No. 7,418,731 (“the ’731 Patent”);
- U.S. Patent No. 7,613,926 (“the ’926 Patent”);
- U.S. Patent No. 7,647,633 (“the ’633 Patent”);
- U.S. Patent No. 8,141,154 (“the ’154 Patent”);
- U.S. Patent No. 8,225,408 (“the ’408 Patent”); and
- U.S. Patent No. 8,677,494 (“the ’494 Patent”).

For the other three originally-asserted patents (U.S. Patent Nos. 6,965,968, 7,058,822, and 7,613,918), Judge Hamilton dismissed with prejudice Finjan’s claims for infringement and PAN’s counterclaims and defenses based on a joint stipulation. (Dkt. No. 111.) In accordance with the stipulated case narrowing schedule ordered by Judge Hamilton on June 9, 2021 (Dkt. No. 126),

1 Finjan served a Preliminary Election of Asserted Claims on June 21, 2021—continuing to assert
 2 twenty-one (21) claims from the '731 Patent, the '154 Patent, the '408 Patent, and the '633 Patent
 3 (collectively, “the Patents-in-Suit”) and no claims from the '780 Patent, the '926 Patent, and the
 4 '494 Patent (collectively, “the ESET Patents”).

5 In Finjan’s case against ESET, LLC and ESET SPOL. S.R.O. in the United States District
 6 Court for the Southern District of California, Judge Bencivengo found that the asserted claims of
 7 U.S. Patent No. 6,804,780 (the “’780 Patent”) and four other Finjan patents were invalid on the
 8 grounds that the claim term “Downloadable,” as used in those claims and construed by that court,
 9 was indefinite. *Finjan, Inc. v. ESET, LLC*, No. 3:17-cv-0183-CAB-BGS (“ESET”), Dkt No. 869
 10 (S. D. Cal. Mar. 29, 2021). Based on that order, Judge Bencivengo entered judgment of invalidity
 11 with regard to those patents. *Id.* at Dkt. No. 875 (May 20, 2021). The Federal Circuit mandate
 12 issued on January 3, 2023. Although the '926 and '494 Patents were not at issue in the *ESET* case,
 13 they are both related to the '780 Patent, and claims of the '926 and '494 Patents include the term
 14 “Downloadable.” As a result of Judge Bencivengo’s *ESET* ruling, the parties in this case ceased
 15 active litigation of the '780, '926, and '494 Patents back in 2021 while Finjan appealed that
 16 judgment to the United States Court of Appeals for the Federal Circuit. *Id.* at Dkt. No. 878 (June
 17 17, 2021). On November 1, 2022, the Federal Circuit reversed the district court’s claim
 18 construction, vacated its grant of summary judgment, and remanded for further proceedings.
 19 *Finjan LLC v. ESET, LLC*, 51 F.4th 1377 (Fed. Cir. 2022). Pursuant to the parties’ stipulation
 20 filed May 30, 2023 (Dkt. No. 249), Judge Donato dismissed Finjan’s claims for infringement of
 21 the '780, '926, and '494 Patents without prejudice (Dkt. No. 250). Judge Donato also dismissed
 22 PAN’s counterclaims and defenses regarding the '780, '926, and '494 Patents without prejudice.
 23 (*Id.*)

24 Finjan alleges that PAN has infringed and/or continues to infringe the Patents-in-Suit by
 25 making, using, selling, offering for sale and/or importing “products and services that utilize the
 26 Next Generation Enterprise Security Platform, App-ID, User-ID, Content-ID, Wildfire, Next-
 27 Generation Intelligence Cloud, and Targeted Remote Attack Prevention System (‘TRAPS’ also
 28 spelled as ‘Traps’),” including: “Next-Generation Security Platform, Next-Generation Firewall,

1 Virtualized Firewall, WildFire Subscription, WildFire Platform, URL Filtering Subscription,
 2 Threat Prevention Subscription, and Advanced Endpoint Protection.” (*See, e.g.*, Dkt. No. 112 ¶
 3 31.) On April 1, 2021, Finjan served Patent Local Rule 3-1 Infringement Contentions and
 4 identified the accused products as the Next-Generation Firewalls (“NGFWs”), WildFire, Traps,
 5 Threat Prevention, and URL Filtering.

6 Finjan additionally alleges that PAN has induced and/or continues to induce infringement
 7 of the Patents-in-Suit by instructing, directing and/or requiring others to perform the steps of
 8 method claims of these patents.

9 Finjan seeks damages and injunctive relief for PAN’s infringement, as well as a finding
 10 that PAN’s infringement has been willful and that this case is exceptional.

11 PAN’s Defenses and Counterclaims: PAN filed its Answer to Finjan’s Amended
 12 Complaint on April 14, 2021 (Dkt. No. 116), denying infringement and asserting affirmative
 13 defenses of non-infringement, invalidity, judicial estoppel, prosecution history estoppel and
 14 disclaimer, prosecution laches, ensnarement and prior art estoppel, adequate remedy at law,
 15 limitations on damages, 28 U.S.C. § 1498, inequitable conduct as to the ’494 Patent and the ’154
 16 Patent, unclean hands as to the ’494 Patent and the ’154 Patent, failure to mark, and preclusion.
 17 PAN also asserts counterclaims seeking declarations of non-infringement and invalidity of the
 18 Patents-in-Suit, and unenforceability of the ’494 Patent and ’154 Patent due to inequitable conduct
 19 and unclean hands. PAN further seeks a finding of an exceptional case.

20 On May 5, 2021, Finjan filed its Answer to PAN’s counterclaims (Dkt. No. 121), denying
 21 non-infringement, invalidity, and unenforceability, and asserting affirmative defenses of failure to
 22 state a claim upon which relief may be granted, good faith, and equitable estoppel. On the same
 23 day, Finjan also filed a motion to strike and dismiss PAN’s affirmative defenses and counterclaims
 24 related to inequitable conduct for not being sufficiently pleaded. (Dkt. No. 120.) After full
 25 briefing (Dkt. No. 122 (PAN’s opposition), Dkt. No. 124 (Finjan’s reply)), Judge Hamilton denied
 26 the motion on June 23, 2021 (Dkt. No. 131).

27 Pre-Stay: The Court initially assigned this case to Magistrate Judge Corley. (Dkt. No. 10.)
 28 After Finjan declined magistrate judge jurisdiction (Dkt. No. 14), the case was reassigned to Judge

1 Chen on December 8, 2014 (Dkt. No. 16). Judge Chen recused himself from the case on October
2 8, 2015 (Dkt. No. 56), and the case was reassigned to Judge Hamilton (Dkt. No. 57). On October
3 15, 2015, Judge Hamilton ordered a Case Management Conference to be held on November 5,
4 2015 (Dkt. No. 58), which Judge Hamilton rescheduled for December 3, 2015, on joint motion of
5 the parties (Dkt. No. 61). On November 25, 2015, the parties filed a Joint Case Management
6 Statement. (Dkt. No. 62.)

7 Five days later, PAN filed a motion to stay the case based on thirteen petitions for *inter*
8 *partes* review relating to asserted patents that PAN filed with the United States Patent and
9 Trademark Office's Patent Trial and Appeal Board ("PTAB"). (Dkt. No. 63.) Concurrent with
10 the motion to stay, PAN filed a motion for partial judgment on the pleadings of invalidity of the
11 '780 and '494 Patents under 35 U.S.C. § 101. (*Id.*)

12 At the Case Management Conference on December 3, 2015, Judge Hamilton indicated she
13 would stay the case pending the PTAB's decisions on whether to institute PAN's IPRs and
14 ordered PAN to withdraw the motion for partial judgment on the pleadings. (Dkt. No. 65.) On
15 December 10, 2015, Judge Hamilton entered the Order staying the case and withdrawing the
16 motion for partial judgment on the pleadings. (Dkt. No. 67.) On May 23, 2016, the parties filed a
17 Joint Status Report informing Judge Hamilton that the PTAB had granted institution of six IPR
18 petitions on four asserted patents, but denied institution of seven IPR petitions on six asserted
19 patents. (Dkt. No. 68.) Finjan requested Judge Hamilton to lift the stay as to the six patents on
20 which the PTAB denied institution of the IPRs, while PAN requested Judge Hamilton to leave the
21 stay in place for all patents through the pendency of the six instituted IPRs on the four asserted
22 patents. (*Id.*) On May 26, 2016, Judge Hamilton ordered the stay to remain in place as to all
23 patents. (Dkt. No. 69.)

24 The IPR Petitions: The IPR proceedings and the subsequent appeals to the Federal Circuit
25 are complete, as the parties reported in the Joint Status Report on December 28, 2020. (Dkt. No.
26 68.) The chart below summarizes the results of the IPR proceedings for the ten originally-asserted
27 patents.
28

<u>Patent</u>	<u>PAN IPR Petition</u>	<u>Claims Challenged</u>	<u>Claims Instituted</u>	<u>Claims Invalidated</u>	<u>Claims Surviving</u>
'633	IPR2015-01974	1-4, 6-8, 13, 14, 19, 28, 34	14, 19	None ¹	5-7, 9-10, 14- 45
'154	IPR2015-01979	1-8, 10, 11	1-8, 10, 11	None	All
	IPR2016-00151	1-12	1-8, 10, 11	None	
'408	IPR2015-02001 IPR2016-00157 (Consolidated)	1, 3-7, 9, 12-16, 18-23, 29, 35	1, 3-7, 9, 12- 16, 18-23, 29, 35	None	All
'494	IPR2016-00159	1-18	1-6, 10-15	1, 2, 6	3-5, 7-18
'780	IPR2016-00165	1-18	None	None	All
'968	IPR2016-00149	1-12, 24, 33-38	None	None	All
	IPR2016-00150	1-38	None		
'822	IPR2015-01999	1, 4-6, 8, 9, 12, 16-20, 22, 24, 27	None	None	All
'731	IPR2015-02000	1-22	None	None	All
'918	IPR2016-00164	1-10, 12-19, 21, 34-36	None	None	All
'926	IPR2016-00145	1-5, 8-12, 15-19, 22-26, 29, 30	None	None	All

Post-Stay: On joint request from the parties (Dkt. No. 83), Judge Hamilton lifted the stay on January 25, 2021, set a Case Management Conference on March 18, 2021, and ordered the parties to file a Joint Case Management Statement (Dkt. No. 84). The parties filed a Joint Case Management Statement on March 11, 2021. (Dkt. No. 104.) During the Case Management Conference on March 18, 2021, Judge Hamilton, among other things, ordered the parties to file a joint stipulation for case narrowing, have a settlement conference before Magistrate Judge Nathanael Cousins, and set the following dates: Technology Tutorial on September 29, 2021 and Claim Construction Hearing on either October 13, 2021 or October 14, 2021. (Dkt. No. 106.) No

¹ In a separate IPR filed by Cisco Systems, Inc. (IPR2018-00391), the PTAB found claims 1-4, 8, and 11-13 of the '633 Patent to be unpatentable.

1 dates were set beyond the Claim Construction Hearing, and the parties agreed on all dates prior to
2 the Claim Construction Hearing (Dkt. No. 104).

3 **Reassignment to Judge Donato.** The case was reassigned to Judge Donato on August 9,
4 2021. (Dkt. No. 150.) The parties complied with all dates set by Judge Hamilton other than the
5 Technology Tutorial and Claim Construction Hearing dates, which were vacated in view of the
6 Reassignment Order reassigning the case to Judge Donato. These include Finjan's Patent Local
7 Rule 3-1 Infringement Contentions (served on April 1, 2021), PAN's Patent Local Rule 3-3
8 Invalidity Contentions (served on May 17, 2021), Finjan's Patent Local Rule 3-8 Damages
9 Contentions (served on July 6, 2021), and PAN's Patent Local Rule 3-9 Responsive Damages
10 Contentions (served on August 5, 2021). The parties also filed a Stipulated Protective Order,
11 which Judge Hamilton entered on March 31, 2021 (Dkt. No. 110) and a Stipulated ESI Order,
12 which Judge Hamilton entered on April 20, 2021 (Dkt. No. 117).

13 The parties completed all claim construction discovery on August 16, 2021, including
14 claim construction disclosures pursuant to Patent Local Rules 4-1, 4-2, 4-3, and 4-4. The parties
15 have also completed claim construction briefing, including Finjan's opening claim construction
16 brief filed on August 30, 2021 (Dkt. No. 158), PAN's responsive claim construction brief filed on
17 September 13, 2021 (Dkt. No. 159), and Finjan's reply claim construction brief filed on
18 September 20, 2021 (Dkt. No. 163). The parties also filed a final amended joint claim
19 construction and pre-hearing statement on September 20, 2021. (Dkt. No. 164.)

20 In accordance with the Reassignment Order Setting CMC (Dkt. No. 151), the parties filed
21 a Joint Case Management Statement on October 14, 2021 (Dkt. No. 171) ahead of a Case
22 Management Conference scheduled for October 20, 2021. On October 18, 2021, the Court
23 continued the Case Management Conference to January 20, 2022. (Dkt. No. 172.) The parties
24 filed an updated Joint Case Management Statement on January 13, 2022. (Dkt. No. 176.) On
25 January 14, 2022, the Court vacated the Case Management Conference, and said it would enter a
26 scheduling order. (Dkt. No. 181). Six months later, on July 18, 2022, Finjan filed an opposed
27 motion to move the Court to issue a scheduling order. (Dkt. No. 191.) On August, 23, 2022, the
28 Court issued its Scheduling Order, resetting, among other dates, the claim construction hearing for

1 April 11, 2023 and trial for April 8, 2024. (Dkt. No. 194.) The claim construction hearing was
 2 rescheduled five more times: June 1, 2023 (Dkt. No. 228); September 7, 2023 (Dkt. No. 247);
 3 October 26, 2023 (Dkt. No. 254); January 18, 2024 (Dkt. No. 260); and April 18, 2024 (Dkt. No.
 4 265). For various reasons, each of those dates was vacated. As a result, no claim construction
 5 hearing has been held in this case. The trial has been rescheduled multiple times. On September
 6 13, 2023, the Court set the trial date for October 21, 2024, which contemplated a claim
 7 construction hearing on January 18, 2024. (Dkt. No. 260.)

8 **Reassignment to this Court.** On March 8, 2024, Judge Donato recused himself from all
 9 further proceedings in this matter and vacated all pending dates of motions, pretrial conferences,
 10 and trial. (Dkt. No. 273.) On March 28, 2023, the Court reassigned the case to Chief Judge
 11 Seeborg. (Dkt. No. 274.)

12 **3. Legal Issues**

13 The principal disputed legal issues are:

- 14 • The proper construction of any disputed claim terms;
- 15 • Whether PAN infringes any or all of the Patents-in-Suit, either directly (35 U.S.C. §
 16 271(a)) or indirectly (35 U.S.C. § 271(b));
- 17 • Whether the Patents-in-Suit are invalid (35 U.S.C. §§ 101, 102, 103, 112);
- 18 • Whether the '154 Patent is unenforceable;
- 19 • Whether Finjan's claims are barred by any defense raised by PAN;
- 20 • Whether Finjan is entitled to damages as a result of the alleged infringement of any or all
 21 of the Patents-in-Suit, and if so, the amount (35 U.S.C. § 284);
- 22 • Whether Finjan is entitled to injunctive relief to prevent irreparable harm as a result of the
 23 alleged continuing infringement of any or all of the Patents-in-Suit (35 U.S.C. § 283);
- 24 • Whether PAN's alleged infringement has been willful; and
- 25 • Whether this case is exceptional (35 U.S.C. § 285).

26 **4. Motions**

27 (a) Pending Motions

28 There are no pending motions.

(b) Anticipated Motions

PAN's Motion to Strike/Confirm re Finjan's Infringement Contentions:

PAN Position: PAN intends to renew its motion to strike Finjan's infringement contentions as to the '154, '731, and '408 Patents after a claim construction order issues.

PAN has filed several motions to strike Finjan's Infringement Contentions. In response to PAN's first motion to strike, Judge Hamilton ordered Finjan to "serve amended infringement contentions in accordance with this order" within 30 days (August 19, 2021). (Dkt. No. 146.) Finjan then served amended infringement contentions for the '154 Patent, amending its contentions as to a single limitation. On September 16, 2021, PAN filed a motion to confirm Finjan has no operative infringement contentions for the '633, '408, and '731 Patents, and to strike Finjan's amended infringement contentions for the '154 Patent. (Dkt. No. 161.) On January 13, 2022, Judge Donato agreed that Judge Hamilton's order required amended contentions for all four of the Patents-in-Suit, but reserved judgment on PAN's motion on the merits and terminated it without prejudice. (Dkt. No. 177.) Finjan then served amended contentions for the Patents-in-Suit. PAN moved to strike Finjan's infringement contentions for the '154, '731, and '408 Patents as deficient. (Dkt. No. 195-3.) On March 27, 2023, the Court terminated PAN's motion without prejudice, and stated that "claim construction may simplify or eliminated many of the issues raised . . . [c]onsequently, PAN may renew its motion after claim construction, as developments warrant." (Dkt. No. 232) (internal quotations omitted). The amended infringement contentions that Finjan referenced below were served more than one year before the Court's March 27, 2023, decision. (Dkt. N. 232.)

Finjan Position: Finjan served amended infringement contentions for the '154, '731, '408, and '633 Patents on January 28, 2022, totaling more than 1,600 pages that include detailed infringement theories supported with citations to PAN's technical documents and source code. There is no basis to strike Finjan's infringement contentions.

PAN's Motion to Enforce the Court's Order Regarding the "CTD Engine":

PAN Position: On March 24, 2023, PAN filed a motion to strike from Finjan's technical expert reports opinions relying on the "CTD Engine" and the concept of single-pass architecture in

the accused NGFW products due to Finjan’s failure to sufficiently disclose these theories of infringement in its infringement contentions. (Dkt. No. 229-3.) For example, Finjan’s experts opined that the CTD engine performs various limitations of the asserted claims of the ’408 Patent, includes several elements of the asserted claims of the ’154 Patent, and acts as various structures claimed in the ’731 Patent. (*Id.* at 5.) But Finjan did not refer to “CTD engine” anywhere in its nearly 3,000 pages of infringement contentions and amended infringement contentions, let alone articulate how the CTD engine meets any claim limitation. (*Id.*) On April 7, 2023, Finjan filed its opposition to PAN’s motion, arguing that it has sufficiently disclosed these concepts. (Dkt. No. 234-2.) On April 14, 2023, PAN filed its reply. (Dkt. No. 241-3.) On September 27, 2023, Judge Donato granted-in-part PAN’s motion to strike, granting PAN’s request as to the CTD Engine, holding that “opinions that rely on a ‘CTD engine’ in NGFW to show that PAN infringes the ’408, ’154, and ’731 patents will be excluded.” (Dkt. No. 262 at 3.) Judge Donato denied PAN’s request as to “single-pass architecture.” (*Id.*)

PAN then requested that Finjan serve redacted expert reports removing all opinions relying on the CTD Engine. The Parties disputed the scope of the redactions to Finjan’s expert reports. Accordingly, PAN intends to file a motion to enforce Judge Donato’s order striking Finjan’s undisclosed opinions relying on the CTD Engine included in Finjan’s technical expert reports.

Finjan’s statement that “Finjan’s amended expert reports regarding infringement of the ’408, ’154, and ’731 Patents redact the portions excluded by Judge Donato’s September 27, 2023, Order granting-in-part PAN’s motion to strike” is a mischaracterization. In fact, Finjan’s amended expert reports do not redact those portions of those expert reports that PAN requested be stricken in the motion granted by Judge Donato.

Finjan Position: Finjan’s amended expert reports regarding infringement of the ’408, ’154, and ’731 Patents redact the portions excluded by Judge Donato’s September 27, 2023 Order granting-in-part PAN’s motion to strike. The remaining infringement theories in Finjan’s amended expert reports were properly disclosed in Finjan’s amended infringement contentions served on January 28, 2022.

Other: Finjan and PAN each anticipate moving for summary judgment and may file other

1 dispositive and non-dispositive motions as appropriate as the case progresses. The parties
2 understand that the Local Rules of this Court, and applicable paragraphs of the Court's Standing
3 Order for Civil Cases, Discovery in Civil Cases, and Civil Jury Trials apply to motions filed in this
4 case.

5 **5. Amendment of Pleadings, Addition of Parties, Etc.**

6 The deadline to amend pleadings without leave of the Court passed on April 1, 2021. On
7 that day, Finjan filed an Amended Complaint (Dkt. No. 112) as discussed above.

8 **6. Evidence Preservation**

9 The parties have reviewed the Northern District of California's Guidelines for the
10 Discovery of Electronically Stored Information ("ESI"), the Northern District of California's
11 Model ESI Order, and Checklist for Rule 26(f) Meet and Confer Regarding ESI, including those
12 portions related to evidence preservation. Additionally, the parties have met and conferred at their
13 Rule 26(f) conference and since that time regarding evidence preservation. Each party has
14 implemented a litigation hold with respect to all ESI and hardcopy documents and media
15 identified as relevant to this action.

16 **7. Disclosures**

17 The parties exchanged initial disclosures pursuant to Rule 26(a) on February 12, 2015.
18 The parties exchanged amended initial disclosures on April 30, 2021. On October 25, 2022, PAN
19 served second amended initial disclosures. On December 1, 2022, Finjan served second amended
20 initial disclosures. On December 16, 2022, PAN served third amended initial disclosures.

21 **8. Discovery**

22 Fact Discovery: Fact discovery cut-off was December 23, 2022 (Dkt. No. 194).

23 Expert Discovery: Expert discovery cut-off was March 17, 2023 (Dkt. No. 194).

24 Protective Order: The parties filed a Stipulated Protective Order, which Judge Hamilton
25 entered on March 31, 2021. (Dkt. No. 110.)
26
27
28

Service: The parties agree that service via email is acceptable pursuant to Rule 5(b)(2)(E). Documents served on a party shall be emailed to all attorneys of record for that party.²

9. Class Actions

Not Applicable.

10. Related Pending Cases

Information concerning other pending litigations and proceedings before the United States Patent and Trademark Office involving the Patents-in-Suit is provided at Appendix B.

11. Relief

Finjan seeks entry of judgment finding that PAN has infringed and/or continues to infringe the Patents-in-Suit, both directly and indirectly, and that PAN's infringement has been willful. Finjan also seeks injunctive relief, including an injunction against PAN from infringing the Patents-in-Suit. Finjan also seeks monetary damages, including damages based on a calculation of lost profits or an amount no less than a reasonable royalty. Based on the information produced in this case and the report prepared by Finjan's expert, Finjan anticipates it will seek damages of approximately \$500 million. Finjan further seeks a judgment that this case is exceptional and an award of Finjan's costs and reasonable attorneys' fees. Finjan also seeks an accounting of all sales and revenues, together with pre-judgment and post-judgment interest. Finjan seeks any other relief available under applicable law.

PAN seeks a declaration that PAN does not infringe the Patents-in-Suit. PAN further seeks a declaration that the Patents-in-Suit are invalid and that the '154 Patent is unenforceable due to inequitable conduct and unclean hands. PAN also seeks judgment that Finjan filed this action without a good faith basis, and is thus liable for attorneys' fees, expenses, and costs incurred by PAN in connection with this action.

12. Settlement and ADR

Pursuant to ADR L.R. 3-5, the parties reviewed the Court's ADR handbook, discussed the available ADR procedures, and considered whether this case would benefit from an ADR

² Service upon Finjan via email shall be effective only with Finjan-PAN_Fish-Service@fr.com. Service upon PAN via email shall be effective only with MoFo-PAN-Finjan@mofocom.

1 procedure. The parties chose mediation as the ADR process for this case pursuant to ADR L.R. 6.
2 (Dkt. No. 35.) Prior to the stay, a mediation session took place on September 15, 2015 with
3 mediator Vicki Veenker. After the stay and at the Case Management Conference on March 18,
4 2021, Judge Hamilton referred the case to a settlement conference before Magistrate Judge
5 Cousins. (Dkt. No. 106.) The parties have since submitted confidential Settlement Conference
6 Statements to Magistrate Judge Cousins on August 3, 2021, and appeared via Zoom at a
7 Settlement Conference on August 10, 2021. (Dkt. No. 152.) Magistrate Judge Cousins ordered
8 the parties provide the Court with a confidential update on November 2, 2021, with the settlement
9 conference to continue November 9, 2021, at 9:30 am, by Zoom. (*Id.*) Those dates were
10 continued, respectively, to March 4, 2022 and March 11, 2022, at 9:30 am, by Zoom. (Dkt. No.
11 174.) The settlement conference was continued again from March 11, 2022 to June 28, 2022.
12 (Dkt. No. 187.) The parties submitted a second round of confidential Settlement Conference
13 Statements to Magistrate Judge Cousins, and appeared via Zoom at a Settlement Conference on
14 August 28, 2022. (Dkt. No. 190.) Magistrate Judge Cousins ordered the parties provide the Court
15 with a settlement status report by October 14, 2022, commenting on whether, when, and where to
16 schedule the next settlement conference. (*Id.*) The parties submitted the joint settlement status
17 update, and on October 12, 2022, Magistrate Judge Cousins schedule a further settlement
18 conference for April 6, 2023. (Dkt. No. 198.) The parties submitted another joint settlement
19 status update on March 27, 2023, and the same day Magistrate Judge Cousins vacated the further
20 settlement conference scheduled for April 6, 2023, and ordered the parties to provide an update by
21 June 8, 2023, proposing a new date for the conference. (Dkt. No. 233.) The parties submitted an
22 update on June 5, 2023, and the same day Magistrate Judge Cousins ordered the parties to provide
23 further update by September 14, 2023, proposing a new date for the conference. (Dkt. No. 251.)
24 The parties submitted a further update on September 14, 2023, and the same day Magistrate Judge
25 Cousins ordered the parties to provide further update by January 25, 2024, proposing a new date
26 for the conference. (Dkt. No. 261.) The parties submitted a further update on January 22, 2024
27 proposing to continue the further settlement conference to April 25, 2024. Magistrate Judge
28 Cousins has not issued an order regarding the parties' request. On March 11, 2024, the clerk's

1 notice stated the parties are ordered to email a joint settlement status update by April 25, 2024
2 indicating whether, when, and in what format (whether in person or Zoom) a settlement
3 conference is requested. (Dkt. No. 276.)

4 **13. Other References**

5 The parties do not believe that this case is suitable for reference to binding arbitration, a
6 special master, or the Judicial Panel on Multidistrict Litigation.

7 **14. Narrowing of Issues**

8 In accordance with Judge Hamilton's instructions at the Case Management Conference
9 held on March 18, 2021, the parties filed a stipulated case narrowing schedule, which Judge
10 Hamilton entered on June 9, 2021. (Dkt. No. 126.) In accordance with that schedule, Finjan
11 served a Preliminary Election of Asserted Claims on June 21, 2021, and PAN served a Preliminary
12 Election of Asserted Prior Art on July 6, 2021.

13 On January 11, 2023, Judge Donato ordered further narrowing through a second election of
14 asserted claims and asserted prior art. (Dkt. No. 217.) The order allowed Finjan to assert up to 5
15 claims for a single patent, and 14 claims in total for all patents-in-suit, and PAN to assert up to 5
16 prior art references against a single patent, and 14 references in total for all patents-in-suit. (*Id.*)
17 In accordance with Judge Donato's order, Finjan served its Second Election of Asserted Claims on
18 January 17, 2023, and PAN served its Second Election of Asserted Prior Art on January 27, 2023.

19 **15. Scheduling**

20 The parties' competing scheduling proposals are set forth in the chart attached hereto as
21 Appendix A.

22 **Finjan Position:** Finjan filed this case on November 4, 2014. (Dkt. No. 1). In response,
23 PAN filed 13 *inter partes* review petitions, and on December 10, 2015, the Court stayed the
24 litigation pending resolution of the IPRs. (Dkt. No. 67; *see also* Dkt. No. 69 (ordering that the
25 stay remain in effect beyond institution until all final written decisions and appeals had been
26 issued).) The IPRs and appeals on all of the asserted patents were concluded by December 16,
27 2020, with 196 of the 199 challenged claims surviving.

1 This Court lifted the stay on January 25, 2021 (Dkt. No. 84.), but claim construction and
 2 trial have been repeatedly delayed through no fault of Finjan's. The parties completed claim
 3 construction briefing more than two years ago on September 20, 2021. (Dkt. No. 163.) Since
 4 then, the claim construction hearing has been scheduled and rescheduled six times, most recently
 5 to **April 18, 2024**. (Dkt. No. 194; Dkt. No. 228; Dkt. No. 247; Dkt. No. 254; Dkt. No. 260; Dkt.
 6 No. 265.) Trial has also been scheduled and reschedule twice, most recently to **October 21, 2024**.
 7 (Dkt. No. 194; Dkt. No. 260.)

8 After more than 9 years, Finjan still awaits its day in Court to vindicate its patent rights in
 9 the face of PAN's continuing, infringing activities. Any further delay in the resolution of this case
 10 is harmful to Finjan. Accordingly, Finjan proposes to keep the claim construction hearing and
 11 trial scheduled for April 18, 2024 and October 21, 2024, respectively, subject to the convenience
 12 of the Court's calendar. Finjan also proposes to keep the dispositive and *Daubert* motions briefing
 13 deadlines that PAN advocated for last month and Finjan did not oppose: opening briefs due
 14 August 6, 2024; responsive briefs due August 20, 2024; and reply briefs due August 27, 2024.
 15 (Dkt. No. 268; Dkt. No. 269.). To be clear, Finjan is prepared to file and brief dispositive and
 16 *Daubert* motions in accordance with this proposed schedule and without the benefit of the Court's
 17 claim construction order. **PAN Position:** PAN proposes that the Court set the technology tutorial
 18 and claim construction hearing and order the parties to submit a status report and proposed
 19 schedule within ten (10) days of the Court's claim construction order. In the alternative, PAN
 20 proposes that the Court schedule post-claim construction dates that are triggered from the Court's
 21 issuance of a claim construction order. The Court's entry of PAN's proposed schedule will ensure
 22 the most efficient resolution of this case and minimize the burden on the Court and the jury
 23 (should the case proceed to trial).

24 First, a schedule that ensures dispositive and *Daubert* motions are filed a reasonable time
 25 after the Court issues a claim construction order will allow the parties to consider that ruling, and
 26 to then focus and prioritize arguments based on the issues remaining in the case. This will
 27 maximize the likelihood that the Court can address as many "live" issues as possible in connection
 28 with dispositive and *Daubert* motions. That, in turn, will minimize the likelihood that the court

1 will have to hold a trial, minimize the burden on the Court's resources at trial (and a jury's time)
2 should trial be necessary.

3 Second, PAN's proposed schedule will also make the process for dispositive and Daubert
4 motions more efficient. For example, the Court would not be called upon to review, and PAN
5 would not be required to brief, alternative constructions in support of summary judgment motions.
6 Instead, the Court will have ruled on claim construction, the parties and the Court will have in
7 hand those constructions, and the parties can move for and oppose dispositive and Daubert
8 motions with the Court's constructions in hand.

9 Third, PAN's proposed schedule should, as contemplated by Judge Donato, also allow
10 PAN to renew its motion to strike Finjan's infringement contentions as to the '731, '154, and '408
11 Patents and for the Court to address that motion before dispositive motions. (Dkt. No. 232
12 (terminating PAN's motion to strike without prejudice on the basis that "claim construction may
13 simplify or eliminate many of the issues raised in [PAN's] motion").) The Court's resolution of
14 PAN's renewed motion may eliminate one or more patents (or claims) from this case.

15 Fourth, PAN contends that the preamble of claim 14 of the '633 Patent is indefinite, and
16 that "programming language" from the asserted claims of the '408 Patent is indefinite. (*See, e.g.*,
17 Dkt. No. 164-1 at 7, 18.) The Court's claim construction order could eliminate one or both of
18 those asserted patents case. Accordingly, the parties and the Court will benefit from having that
19 claim construction order in hand before moving or opposing dispositive and Daubert motions
20 concerning the '633 and '408 Patents.

21 Fifth, PAN's proposed schedule provides the Court a reasonable opportunity to consider
22 and rule on dispositive and Daubert motions in advance of the final pretrial conference and trial.
23 By contrast, Finjan proposes a final pre-trial conference just three weeks after oral argument on
24 the parties' summary judgment and Daubert motions.

25 Finally, Finjan's description of the Court's prior scheduling orders is misleading. On
26 September 13, 2023, the Court set claim construction for January 18, 2024, and set trial for
27 October 21, 2024. (Dkt. No. 260.) The Court later vacated the claim construction hearing and set
28

1 it for April 18, 2024, and stated “[t]he Court will address the October 2024 trial date at a later
2 occasion.” (Dkt. Nos. 263, 265.)

3 **16. Trial**

4 The parties have requested trial by jury. Finjan expects that the trial will require
5 approximately seven to ten court days. PAN believes it is premature to estimate the time for trial,
6 as the parties do not yet know how many patents and patent claims will be asserted at trial. If
7 Finjan maintains all of the Patents-in-Suit in this case, PAN estimates the trial will take
8 approximately seven court days.

9 **17. Disclosure of Non-party Interested Entities or Persons.**

10 The parties have filed Certifications of Interested Entities or Persons pursuant to Civil
11 Local Rule 3-15. (Dkt. No. 3 (Finjan’s certification); Dkt. No. 25 (PAN’s certification).)

12 Finjan converted from a corporation to a limited liability company, and in conjunction,
13 changed its name from Finjan, Inc. to Finjan LLC. Finjan has filed an unopposed motion to
14 amend the caption to reflect that name change. (Dkt. No. 101.) The Court granted Finjan’s
15 motion. (Dkt. No. 103.) The company of which Finjan was a wholly owned subsidiary also went
16 through a similar conversion and changed its name from Finjan Holdings, Inc. to Finjan Holdings
17 LLC. Finjan filed an updated Certification of Interested Parties or Persons to reflect that name
18 change, as well. (Dkt. No. 102.) Finjan filed an Amended Certification of Interested Parties or
19 Persons to specify that Finjan LLC is wholly-owned by Finjan Holdings LLC, which is wholly-
20 owned by CFIP Goldfish Holdings LLC. (Dkt. No. 213.) Finjan certified that no publicly held
21 corporation owns 10% or more of Finjan LLC’s stock. (*Id.*) Finjan also identified Finjan
22 Holdings LLC, CFIP Goldfish Holdings LLC, and Fortress Investment Group LLC as each having
23 a direct or indirect financial interest in Finjan LLC. (*Id.*)

24 PAN confirms that no other entities have a financial interest in the subject matter in
25 controversy or PAN, or a non-financial interest in that subject matter or PAN that could be
26 substantially affected by the outcome of this proceeding.

27 **18. Professional Conduct**

1 The attorneys of record confirm that they have reviewed the Guidelines for Professional
2 Conduct for the Northern District of California.

3 **19. Other Matters**

4 Pursuant to Patent Local Rule 2-1(b), the parties have also met and conferred regarding the
5 following additional matters:

6 **(1) Proposed modification of the obligations or deadlines set forth in the Patent Local
7 Rules**

8 The parties do not propose any modifications to the obligations or deadlines set forth in the
9 Patent Local Rules at this time.

10 **(2) The scope and timing of any claim construction discovery including disclosure of
11 and discovery from any expert witness permitted by the court**

12 As discussed above, the parties completed all claim construction discovery on August 16,
13 2021, including claim construction disclosures pursuant to Patent Local Rules 4-1, 4-2, 4-3, and 4-
14 4. Each party served a claim construction expert report pursuant to Patent Local Rule 4-3 on July
15 30, 2021. Depositions of the parties' claim construction experts occurred, respectively, on August
16 13, 2021 (Finjan's expert) and August 16, 2021 (PAN's expert).

17 The parties have also completed claim construction briefing, including Finjan's opening
18 claim construction brief filed on August 30, 2021 (Dkt. No. 158), PAN's responsive claim
19 construction brief filed on September 13, 2021 (Dkt. No. 159), and Finjan's reply claim
20 construction brief filed on September 20, 2021 (Dkt. No. 163). In accordance with Judge
21 Donato's Standing Order for Claim Construction in Patent Cases, the parties filed a final amended
22 joint claim construction and pre-hearing statement on September 20, 2021. (Dkt. No. 164.)

23 PAN notes that in addition to the disputed terms that are identified in the joint claim
24 construction and pre-hearing statement, the parties presently dispute the meaning of at least 10
25 other terms that may require resolution by the Court. *O2 Micro Int'l Ltd. v. Beyond Innovation*
26 *Tech. Co.*, 521 F.3d 1351, 1360 (Fed. Cir. 2008). Pursuant to the Court's Order (Dkt. No. 141),
27 the parties identified only "ten claim terms in the joint claim construction statement." (Dkt. No.
28 141 at 2.) Finjan notes that PAN already moved to construe more than 10 terms (Dkt. No. 135),

1 Finjan opposed (Dkt. No. 136), and Judge Hamilton denied PAN's motion (Dkt. No. 141).

2 **(3) The format of the Claim Construction Hearing, including whether the Court will**
 3 **hear live testimony, the order of presentation, and the estimated length of the**
 4 **hearing**

5 At this time, the parties anticipate that they will not require more than three (3) hours for
 6 the entire claim construction hearing. The parties agree that each side will be allocated half of the
 7 total time permitted for the hearing. The parties agree that the presentation of argument at the
 8 hearing should be in the manner and order that the Court prefers to address the issues, particularly
 9 given the nature of the Patents-in-Suit, the technology involved and the number and nature of
 10 claim terms that remain in dispute at the time of the hearing. The parties propose proceeding
 11 patent-by-patent, with Finjan proceeding first and PAN second, with rebuttal by Finjan and sur-
 12 rebuttal by PAN. The parties do not believe that live expert testimony is required at the claim
 13 construction hearing, but reserve the right to present live expert testimony at the claim
 14 construction hearing.

14 **(4) How the parties intend to educate the court on the technology at issue**

15 In accordance with paragraph 8 of Judge Donato's Standing Order for Claim Construction
 16 in Patent Cases, the parties each filed a written technology synopsis. (Dkt. No. 245 (Finjan); Dkt.
 17 No. 246 (PAN).) The parties are also prepared to provide the Court with brief, in-person
 18 technology tutorial if the Court would find it useful.

19
 20 Respectfully Submitted,

21 DATED: March 28, 2024

22 /s/ Roger A. Denning

23 Juanita R. Brooks (CA SBN 75934)

24 brooks@fr.com

25 Roger A. Denning (CA SBN 228998)

26 denning@fr.com

27 Frank J. Albert (CA SBN 247741)

28 albert@fr.com

Jared A. Smith (CA SBN 306576)

jasmith@fr.com

Tyler R. Train (CA SBN 318998)

train@fr.com

FISH & RICHARDSON P.C.

12860 El Camino Real, Ste. 400

San Diego, CA 92130
Telephone: (858) 678-5070 / Fax: (858) 678-5099

John M. Farrell (CA SBN 99649)
farrell@fr.com
FISH & RICHARDSON P.C.
500 Arguello Street, Suite 400
Redwood City, CA 94063
Telephone: (650) 839-5070 / Fax: (650) 839-5071

Aamir Kazi (*Pro Hac Vice*)
kazi@fr.com
Lawrence Jarvis (*Pro Hac Vice*)
jarvis@fr.com
FISH & RICHARDSON P.C.
1180 Peachtree St. NE, 21st floor
Atlanta, GA 30309
Telephone: (404) 892-5005 / Fax: (404) 892-5002

Susan E. Morrison (*Pro Hac Vice*)
morrison@fr.com
FISH & RICHARDSON P.C.
222 Delaware Ave., 17th Floor
P.O. Box 1114
Wilmington, DE 19801
Telephone: (302) 652-5070 / Fax: (302) 652-0607

Attorneys for Plaintiff
FINJAN LLC

1 DATED: March 28, 2024

/s/ Kyle W.K. Mooney

2 Daralyn J. Durie (CA SBN 169825)
3 DDurie@mofo.com
4 Timothy Chen Saulsbury (CA SBN 281434)
5 TSaulsbury@mofo.com
6 Matthew I. Kreeger (CA SBN 153793)
7 MKreeger@mofo.com
8 MORRISON & FOERSTER LLP
9 425 Market Street
10 San Francisco, California 94105-2482
11 Telephone: (415) 268-7000/Fax: (415) 268-7522

12 Kyle W.K. Mooney (*Pro Hac Vice*)
13 KMooney@mofo.com
14 Michael J. DeStefano (*Pro Hac Vice*)
15 Mdestefano@mofo.com
16 MORRISON & FOERSTER LLP
17 250 West 55th Street
18 New York, New York 10019-9601
19 Telephone: (212) 468-8000/Fax: (212) 468-7900

20 Rose S. Lee
21 RoseLee@mofo.com
22 MORRISON & FOERSTER LLP
23 707 Wilshire Boulevard
24 Los Angeles CA 90017-3543
25 Phone: (213) 892-5200/Fax: (213) 892-5454

26 Attorneys for Defendant
27 PALO ALTO NETWORKS, INC.
28

ATTESTATION PURSUANT TO CIVIL L.R. 5-1(i)

In accordance with Civil Local Rule 5-1(i)(3), I attest that concurrence in the filing of this document has been obtained from any other signatory to this document.

/s/ Roger A. Denning
Roger A. Denning

APPENDIX A**Proposed Case Schedule**

<u>Event</u>	<u>Finjan's Proposal</u>	<u>PAN's Proposal</u>
Claim Construction Technology Tutorial ³	April 11, 2024 (subject to the convenience of the Court's calendar)	May 30, 2024 (subject to the convenience of the Court's calendar)
Claim Construction Hearing	April 18, 2024 (subject to the convenience of the Court's calendar)	June 13, 2024 (subject to the convenience of the Court's calendar)
Statement for Further Case Management Conference Due	Ten (10) days after claim construction order	Ten (10) days after claim construction order
Patent L.R. 3-7 Disclosures	Not later than 30 days after issuance of the claim construction order	Not later than 30 days after issuance of the claim construction order
Opening Summary Judgment/ <i>Daubert</i> Briefs	August 6, 2024	60 days after Claim Construction Order
Responsive Summary Judgment/ <i>Daubert</i> Briefs	August 20, 2024	74 days after Claim Construction Order
Reply summary judgement/ <i>Daubert</i> briefs	August 27, 2024	81 days after Claim Construction Order
Summary judgement/ <i>Daubert</i> Hearing	September 10, 2024 (subject to the convenience of the Court's calendar)	100 days after Claim Construction Order (subject to the convenience of the Court's calendar)
Final Pretrial Conference	October 3, 2024 (subject to the convenience of the Court's calendar)	Subject to the convenience of the Court's calendar, on or after January 15, 2025

³ Although the Court has not requested a technology tutorial ahead of a claim construction hearing, the parties are prepared to conduct one if the Court so orders.

<u>Event</u>	<u>Finjan’s Proposal</u>	<u>PAN’s Proposal</u>
Trial	October 21, 2024 (subject to the convenience of the Court’s calendar)	Subject to the convenience of the Court’s calendar

APPENDIX B**Other Pending Proceedings Involving The Patents-in-Suit**

On October 26, 2018, Finjan filed a lawsuit against Fortinet, Inc. in this district (Case No. 3-18-cv-06555), alleging that Fortinet infringes six of the ten patents asserted against PAN in the instant lawsuit—specifically the '968 Patent, the '822 Patent, the '731 Patent, the '633 Patent, the '408 Patent, and the '494 Patent—and three additional patents. However, in the *PAN* litigation, the Court dismissed the '822 Patent and the '968 Patent, and the parties have dismissed the '780 Patent, the '494 Patent, and the '926 Patent, per the agreed stipulation referenced above. This case is pending before Judge Donato in the San Francisco division and is currently stayed. PAN notes that the Court stayed the case due to overlapping issues in Finjan's other cases, *e.g.*, "case management issues with respect to the multiple cases in this district in which the same Finjan patents and claims are asserted." (Dkt. Nos. 32, 38, 43.) Finjan notes that this case, as discussed in Section 2 (Facts) and Section 8 (Discovery), is much further along procedurally than the *Fortinet* case. For example, *Fortinet* was stayed before any appreciable discovery was completed. In contrast, the parties in this case have served infringement, invalidity, and damages contentions, and fully briefed claim construction. Furthermore, this case was previously stayed more than five years for PAN to litigate its 13 IPRs against the Asserted Patents—prevailing on just three of 198 challenged claims.

CASE MANAGEMENT ORDER

The above Joint Case Management Statement AND PROPOSED ORDER is approved as the Case Management Order for this case and the parties shall comply with its provisions.

IT IS SO ORDERED.

Dated: _____

United States District Court Judge
Honorable Richard Seeborg